

AMENDED IN ASSEMBLY JUNE 23, 2003
AMENDED IN ASSEMBLY JUNE 11, 2003
AMENDED IN SENATE MAY 12, 2003
AMENDED IN SENATE APRIL 21, 2003
AMENDED IN SENATE APRIL 3, 2003
AMENDED IN SENATE MARCH 26, 2003
AMENDED IN SENATE MARCH 12, 2003

SENATE BILL

No. 88

Introduced by Senator Chesbro

January 27, 2003

An act to add Section 23399.6 to the Business and Professions Code, relating to alcoholic beverages.

LEGISLATIVE COUNSEL'S DIGEST

SB 88, as amended, Chesbro. Alcoholic beverages: permits: winegrowers.

Existing law permits the Department of Alcoholic Beverage Control to issue special temporary licenses and permits to various entities for limited purposes.

This bill would permit the department to issue a wine sales event permit to allow a licensee under a winegrower's license to sell bottled wine that is produced by the winegrower at an approved event held by a tax-exempt organization, as specified, for not more than 5 consecutive days.

The bill would authorize the organization to charge a fee for the licensee's use of display booth space, and require the organization to allow the participation of more than one winegrower under a permit if public attendance at an event is expected to reach or exceed 100,000 people.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 23399.6 is added to the Business and
2 Professions Code, to read:
3 23399.6. (a) Any licensee under a winegrower's license may
4 apply to the department for a wine sales event permit. The wine
5 sales event permit shall authorize the sale of bottled wine produced
6 by the winegrower at festivals, ~~county state, county, district, or~~
7 ~~citrus fruit fairs, civic or cultural celebrations~~ *celebrations*, or
8 similar events approved by the department. The sale of the wine
9 shall not be the primary purpose of the event, and the sale shall be
10 for consumption off the premises where sold. The permit shall be
11 valid for a maximum of five consecutive days during the event
12 period. The event shall be sponsored by an organization that is
13 exempt from taxation as one of the following:
14 (1) An organization described in Section 23701a of the
15 Revenue and Taxation Code, *including state designated fairs, as*
16 *specified in Section 19418.*
17 (2) A corporation or community chest or trust, organized and
18 operated exclusively for religious, charitable, or educational
19 purposes only, pursuant to Section 23701d of the Revenue and
20 Taxation Code.
21 (3) An organization described in Section 23701e of the
22 Revenue and Taxation Code.
23 (4) A veterans' organization described in Section 23701w of
24 the Revenue and Taxation Code.
25 (b) Consent for sales at each event shall be first obtained by an
26 annual authorization issued by the department. The applicant for
27 the wine sales permit is required to notify the city, county, or city
28 and county where the event is being held at least five days prior to
29 the event, and shall obtain approval from the local law
30 enforcement agency prior to the start of the event. The local



1 agency reviewing the permit shall render its decision within five
2 days. At all events, a copy of the wine sales permit and the local
3 agency approval shall be maintained. The licensee may exercise
4 only those privileges authorized by the licensee's license and shall
5 comply with all provisions of the act pertaining to that license, and
6 any violation of those provisions may be grounds for suspension
7 or revocation of the licensee's license or permit, or both, as though
8 the violation occurred on the licensed ~~remises~~ premises.

9 (c) A licensee may not sell more than 5,000 gallons of wine
10 annually pursuant to wine sales event permits issued under this
11 section to that licensee. The licensee shall annually report to the
12 department the total gallons of wine sold by that licensee under
13 permits issued under this section to that licensee. The report may
14 be included within the annual report of production submitted by
15 the licensee to the department, or may be made in another manner
16 as prescribed by the department in regulation.

17 (d) *The sponsoring tax-exempt organization may charge a fee*
18 *of the licensee for the licensee's use of display booth space. The fee,*
19 *if paid, shall be comparable with, or less than, fees, or goods or*
20 *services of equivalent value, paid by other vendors at the event for*
21 *a similar booth size and location.*

22 (e) *The sponsoring tax-exempt organization shall allow the*
23 *participation of more than one winegrower under a wine sales*
24 *event permit at an event if public attendance at the event is*
25 *expected to reach or exceed 100,000 attendees. The prior year's*
26 *stated attendance for the event shall be used to determine the*
27 *expected attendance.*

28 (f) The fee for the authorization to utilize a wine sales permit
29 shall be fifty dollars (\$50) per year, and the authorization may be
30 renewable annually at the time of the licensee's license. The wine
31 sales permit authorization shall be transferable as part of the
32 license.

33 ~~(e)~~

34 (g) All money collected as fees pursuant to this section shall be
35 deposited in the Alcohol Beverage Control Fund, as described in
36 Section 25761, for allocation, upon appropriation by the
37 Legislature, as provided in subdivision (d) of that section.

38 ~~(f)~~

- 1 (*h*) The department may adopt any regulations as it determines
- 2 to be necessary for the administration of this section.

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